



## CITY OF LODI

## COUNCIL COMMUNICATION

**AGENDA TITLE:** Approve contract with University of Pacific (UOP) to provide Customer Service training.

**MEETING DATE:** December 20, 2000

**SUBMITTED BY:** Human Resources Director

---

**RECOMMENDED ACTION:** That City Council approve the contract with the University of Pacific's Westgate Center for Management Development (attached).

### BACKGROUND INFORMATION:

Continuous improvement of any organization's personnel is necessary to maintain a motivated work force that delivers high quality services. The City of Lodi would like to develop a customer service training program using the professional services of the University of Pacific's Westgate Center for Management Development (hereinafter Westgate Center).

There is currently a lack of consistency in the way City departments provide training. A variety of high-volume vendors mail numerous brochures to the City offering an assortment of generic training sessions. Departments often respond in a reactive, ad-hoc manner by sending staff to these sessions whenever the need arises. This proposed program strives to proactively provide training of a uniformly high quality, designed specifically for City of Lodi employees.

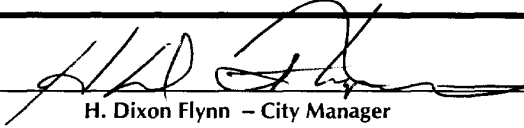
The primary objectives of this program are to:

- provide excellent customer service to the citizens of Lodi.
- increase City employees' skill and motivation levels through an increased awareness of techniques for improving service delivery to customers both inside and outside the City organization.
- lower the unit costs of training sessions by reducing travel and business expenditures associated with training.

It should be noted this program clearly conforms with a Major City Objective adopted by City Council and enumerated in the 1999-2001 Budget document - to Provide Employee Training and Education.

The City has received proposals from Marilyn Manning, Kypta Associates, and the Westgate Center. These organizations have had an opportunity to present themselves and the services they offer to City Department Heads. After a lengthy process of assessing the quality of services offered and their potential value to City employees, Department Heads were able to reach a consensus on using the Westgate Center.

APPROVED: \_\_\_\_\_

  
H. Dixon Flynn – City Manager



## CITY OF LODI

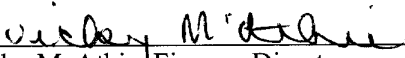
## COUNCIL COMMUNICATION

Staff is recommending that the Westgate Center provide this service to the City. They are experienced in providing training to the local government community and can do so at a very competitive price. The Westgate Center conducts a series of seminars designed for public agencies. Employees from the cities of Manteca, Marysville, Napa, Oakdale, Modesto, Ripon, Roseville, Stockton, San Joaquin County, Stanislaus County, as well as several State Departments, have attended these seminars. Dr. Herche, who will be coordinating this project, has conducted management seminars, taught several academic courses and has provided consulting services to organizations such as ARCO, Hewlett-Packard, Northern Telecom and the San Joaquin Convention and Visitors Bureau. Their price is also significantly lower than that proposed by the other firms - \$37,140 to train all current regular City employees. The others were much higher - well over \$100,000 each.

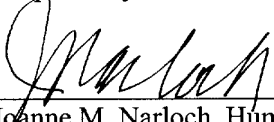
Dr. Herche proposes a two phase plan to address the issue of customer service delivery. Phase I will be comprised of background research designed to identify strengths and weaknesses associated with our existing service delivery systems. This will summarize potential problem areas to be addressed by changing system logistics, training employees involved or simply highlighting the situation for further management consideration.

Phase II will be comprised of a series of customer service training seminars specifically tailored to the needs of the City of Lodi based on information revealed in Phase I. Topics to be covered in these seminars include a description of the production versus marketing orientation, using appropriate telephone etiquette, adopting a teamwork perspective, striking a balance between following narrowly defined rules and being empowered to implement change, and handling disappointed customers. These seminars will also include an "internal marketing" component. This helps those employees performing functions without direct customer contact to acquire an attitude of customer service toward those they serve within the organization. An assumption will be made that everyone in the City has a product, everyone has a customer, and therefore everyone should be involved in marketing. Once completed, Dr. Herche will conduct follow-up research to determine the degree to which the training provided has improved the behavior of participants.

**FUNDING:** \$37,500 is budgeted in FY 2000-01 to provide funding for this project.

  
Vicky McAthie, Finance Director

Respectfully submitted,

  
Joanne M. Narloch, Human Resources Director

APPROVED: \_\_\_\_\_

H. Dixon Flynn – City Manager

## CONSULTING AGREEMENT

This Agreement is made on \_\_\_\_\_ between the City of Lodi (the "Organization") and the Westgate Center for Management Development (the "Consultant") and is effective on the date of signing. The Consultant has extensive experience regarding marketing research and the Organization seeks to benefit from the Consultant's expertise by retaining the Consultant as a Technical Advisor. The Consultant wishes to perform consulting services for the Organization. Accordingly, the Organization and the Consultant agree as follows:

### Services

The consultant shall provide advice and consulting services to the Organization with respect to matters related to WORK PRODUCT referred to in Attachment "A". The Consultant shall be engaged by the Organization as a consultant for research and/or training for or on behalf of the Organization. Any research which may be conducted shall be carried out under the auspices of a sponsored research agreement between Organization and the Consultant is listed as WORK PRODUCT in Attachment A to this document.

### Compensation

As full consideration for the consulting services provided by the Consultant, the Organization shall pay to the Consultant a total of \$37,140. One-third of the total (\$12,380) is payable upon agreement on the project. The remaining two-thirds (\$24,760) will be due after completion. All payments shall be made by check, payable to "The Westgate Center for Management Development" at the following address:

The Eberhardt School of Business  
University of the Pacific  
Stockton, CA 95211

### Confidentiality

Either party may disclose to the other party any information that the disclosing party would normally freely disclose to the other members of the scientific community at large, whether by publication, by presentation at seminars, or in informal scientific discussions.

The parties may wish, from time to time, in connection with work contemplated under this Agreement, to disclose confidential information to each other ("Confidential

---

Information"). Each party will use reasonable efforts to prevent the disclosure of any of the other party's Confidential Information to third parties. The recipient may acquire information that pertains to the discloser's processes, equipment, programs, developments, or plans that is both (i) disclosed or made known by the disclosure to the recipient and (ii) identified in writing as "proprietary" by the disclosure. The recipient agrees not to disclose any Confidential Information to third parties or to use any Confidential Information for any purpose other than performance of the services contemplated by this Agreement, without prior written consent of the Organization.

Confidential Information subject to the above paragraph, does not include information that (i) is or later becomes available to the public through no breach of this Agreement by the recipient; (ii) is obtained by the recipient from a third party who had the legal right to disclose the information to the recipient; (iii) is already in the possession of the recipient on the date this Agreement becomes effective; (iv) is independently developed by recipient; or (v) is required to be disclosed by law, government regulation, or court order. In addition, Confidential Information subject to the above paragraph does not include information generated by the Consultant unless the information is generated as a direct result of the performance of consulting services under this Agreement.

#### **Return of Materials**

The Consultant agrees to promptly return, following the termination of this Agreement or upon earlier request by the Organization, all drawings, tracings, and written materials in the Consultant's possession and (i) supplied by the Organization in conjunction with the Consultant's consulting services under this Agreement or (ii) generated by the Consultant in the performance of consulting services under this Agreement.

#### **Intellectual Property**

Title to all inventions and discoveries made by the Consultant resulting from the research performed hereunder shall reside in the Consultant. Title to all inventions and discoveries made by the Organization shall reside in the Organization. Title to all inventions and discoveries made jointly by Consultant and Organization resulting from the research performed hereunder shall reside jointly in the Consultant and Organization. Inventorship shall be determined in accordance with U.S. Patent law.

---

**Defense and Indemnification**

The consultant agrees, at its sole expense, to defend the Organization against, and to indemnify and hold the Organization harmless from, any claims or suits by a third party against the Organization or any liabilities or judgements based thereon, either arising from the Consultant's performance of services for the Organization under this Agreement which result from the Consultant's performance of services under this Agreement.

**Term and Termination**

This Agreement shall be for a term of six months, renewable upon reasonable terms and conditions as may be agreed upon by the Organization and the Consultant.

Termination of the Agreement under the above paragraph above shall not affect (a) the Organization's obligation to pay for services previously performed by the Consultant or expenses reasonably incurred by the Consultant for which the Consultant is entitled to reimbursement under paragraph 2, above, (b) the Organization's obligations to recognize the priority of intellectual property rights described above (c) the Organization's obligation to defend and indemnify the Consultant as described above or (d) the Consultant's continuing obligations to the Organization described above.

**Miscellaneous**

This Agreement shall inure to the benefit of and be binding upon the respective heirs, executors, successors, representatives, and assigns of the parties, as the case may be.

The relationship created by this Agreement shall be that of independent contractor, and the Consultant shall have no authority to bind or act as agent for the Organization or its employees for any purpose.

The Organization will not use the Consultant's name in any commercial advertisement or similar material used to promote or sell products, unless the Organization obtains in advance the written consent of the Consultant.

Notice or payments given by one party to the other hereunder shall be in writing and deemed to have been properly given or paid if deposited with the United States Postal Service, registered or certified mail, addressed as follows:

{Organization Address} 221 W. Pine Street  
Lodi CA 95240

{Consultant Address} Eberhardt School of Business  
University of the Pacific  
Stockton, CA 95211

---

This Agreement replaces all previous agreements and the discussions relating to the subject matters hereof and constitutes the entire agreement between the Organization and the Consultant with respect to the subject matters of this Agreement. This Agreement may not be modified in any respect by any verbal statement, representation, or agreement made by any employee, officer, or representative of the Organization, or by any written documents unless it is signed by an officer of the Organization and by the Consultant.

If any term or provision of this Agreement is deemed invalid, contrary to, or prohibited under applicable laws or regulation of any jurisdiction, this Agreement (save only this sentence) shall be invalid.

IN WITNESS WHEREOF, the parties have executed this Agreement effective the date first stated above.

By: \_\_\_\_\_  
Authorized Contracting Official for the Organization Title

By: \_\_\_\_\_  
Consultant Title

Approved as to form

*Richard A. Day*  
City Attorney

## ATTACHMENT "A" WORK PRODUCT

### Product to be Delivered:

We are proposing to address the issue of customer service delivery for the City of Lodi. Our plan is two-fold. Phase I involves a research project to identify the strengths and weaknesses of the service delivery systems that are already in place. This critique of the system will help identify potential problem areas to be addressed by changing the system logistics, training the personnel involved or simply highlighting the situation for further management consideration.

The research will include developing and administering a questionnaire designed to seek out the opinions and attitudes of personnel. The questionnaire will be designed in consultation with management to focus the instrument on perceived problem areas or subjects of particular relevance to management. The questionnaire may be used in future studies to evaluate personnel training needs. Returns will be coded, analyzed and summarized in an interim report. In addition to the survey, the research will evaluate the City's Web page and will seek to utilize other selected services to critique service delivery based on actual experience. "Mystery shoppers" will make telephone calls to test contact people for appropriate etiquette. Ten calls will be made to each of five departments in the Administration. Roughly half of these calls will be made to internal personnel seeking help on a contrived internal problem. An evaluation of the contact service will be recorded for later reference. In addition to the interim report, the findings will be integrated into a customized customer service training seminar tailored to deal with the issues revealed in the research. After the completion of the training seminars (Phase II of the project), the "mystery shoppers" will again make calls to the five selected departments to evaluate the degree to which concepts discussed in the seminar were implemented. Seminars and discussions are good, but only to the degree that they improve the behavior of the participants. A final report will show the degree of change and highlight areas for future improvement.

Phase II of the proposal involves the administration of a day-long seminar on customer service designed to meet the specific needs of City of Lodi personnel. The Phase I findings will be used to develop a customized seminar beginning with a multi-

---

media presentation (including selected video clips and PowerPoint presentation software) on the marketing orientation and its impact on customer service delivery. This will be followed by a case discussion of a situation highlighting a particular customer service challenge. Topics to be tentatively covered in the morning (pending Phase I research results) include describing a production versus a marketing orientation, using appropriate telephone etiquette, adopting a teamwork perspective, striking a balance between following narrowly-defined rules and being empowered to implement appropriate change, and handling disappointed customers. The morning's final activity will involve a workshop in which participants will bring up their own notable customer service encounters and use role-playing, class presentations and problem solving techniques to assess the transactions. After lunch we will return to a presentation format for roughly an hour and a half. The topics covered in this session will vary depending on the survey results.

This session will be followed by a second workshop focusing on equipping and directing participants to apply in their current positions the marketing concepts discussed in class. This is known as "internal marketing." It helps those performing functions without direct customer contact to acquire an attitude of customer service toward those they serve within the organization. An assumption will be made that everyone in the organization has a product, everyone has a customer and, therefore, everyone should be involved in marketing.

Phase II could be conducted in a more generic package without the Phase I research, but the two modules are intended to work together. All activities in both phases of the project will be directed toward making the people associated with the City of Lodi aware of the importance of good customer service. They will empower them to practice state-of-the-art delivery techniques and inspire them to look for creative solutions in every customer interaction.

### **Class Organization and Delivery**

Diversity is an asset in classes such as those described above. Participants are better able to understand the concepts when they are applied in varied settings. Organizing the classes with personnel from a wide variety of backgrounds and

---



departments (Police, Fire, Parks and Recreation, etc.) is considered optimal. Recommended seminar size is thirty students. This number will allow for six workshop groups of five students each and will facilitate instructor-participant interaction during the presentations. Students will receive a three-ring binder containing lecture notes and a list of suggested readings as a supplement to the instruction.

Training for 409 people under this scenario would require fourteen seminars with a maximum of 30 people in each class. The last seminar would be used as a makeup session for people who were unable to attend under the regular schedule. The timing for completing the seminars is quite flexible, however, a regimen of one to possibly two sessions per week over a span of months is suggested. Dr. Joel Herche will personally manage the Phase I data collection and analysis. He will also conduct all the Phase II seminars in Lodi.

**Delivery of Work Product To Be Made:**

The Interim Report, Customer Service Delivery Improvement Seminars and the Final Report will be delivered as stipulated above.

Initials of Consultant: \_\_\_\_\_ Initials of Organization Representative: \_\_\_\_\_

---

RESOLUTION NO. 2000-238

A RESOLUTION OF THE LODI CITY COUNCIL  
APPROVING CONTRACT WITH UNIVERSITY OF  
THE PACIFIC (UOP) TO PROVIDE CUSTOMER  
SERVICE TRAINING

=====

NOW, THEREFORE, BE IT RESOLVED, that the Lodi City Council hereby authorizes the City Manager to execute a contract with the University of the Pacific's Westgate Center for Management Development, for Customer Service Training in the amount of \$37,500.00

Dated: December 20, 2000

---

I hereby certify that Resolution No. 2000-238 was passed and adopted by the City Council of the City of Lodi in a regular meeting held December 20, 2000 by the following vote:

AYES: COUNCIL MEMBERS – Howard, Land, Pennino and Mayor Nakanishi

NOES: COUNCIL MEMBERS – Hitchcock

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None

  
SUSAN J. BLACKSTON  
City Clerk